

PUBLIC NOTICE
REQUEST FOR PROPOSALS (RFP)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND
HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAMS

The City and County of Honolulu, through its Department of Budget and Fiscal Services (City), is requesting proposals from qualified private nonprofit agencies and governmental agencies of the City and County of Honolulu for funding from the City's CDBG Program and its HOME Program for Fiscal Year 2008. Approximately \$10.0 million in CDBG funds and \$4.0 million in HOME funds may be available for the City to award to private nonprofit and City agencies.

Schedule:

The schedule to submit applications for fiscal year 2008 CDBG and HOME funding is as follows:

May 30, 2006.....List of prequalification materials is published.
June 16, 2006.....City to hold information/orientation meeting.
June 30, 2006.....CDBG and HOME application forms to be available.
4:00 p.m., July 14, 2006.....Deadline for private nonprofits to submit prequalification materials to Purchasing Division, as evidenced by a date and time stamp from the Division of Purchasing.
Friday, July 28, 2006.....Deadline to ask for technical assistance about application forms from City.
4:00 p.m., August 31, 2006....Deadline to submit CDBG/HOME application forms to Purchasing Division, as evidenced by a date and time stamp from the Division of Purchasing.
March 31, 2007.....Deadline for final project selection.

Informational meeting:

An information/orientation session about this RFP, prequalification materials, application forms, and the CDBG and HOME programs will be held at 9:30 a.m., Friday, June 16, 2006, at the Mission Memorial Auditorium, located immediately Diamond Head of Honolulu Hale, 530 South King Street, Honolulu, Hawaii.

Important deadlines:

- Private nonprofit agencies must submit their prequalification materials to the Division of Purchasing by 4:00 p.m., July 14, 2006; AND
- All agencies must submit their CDBG/HOME proposals to the Division of Purchasing by 4:00 p.m., August 31, 2006, as evidenced by a date and time stamp from the Division of Purchasing.

The Division of Purchasing is located at Honolulu Hale, 530 South King Street, Room 115, Honolulu, Hawaii. (www.honolulu.gov/pur)

To submit prequalification materials (required of private nonprofit agencies only):

- Download or pick up the "Prequalification Documents Submission Checklist and Transmittal" from the Division of Purchasing in Honolulu Hale. The website to download the checklist is www.honolulu.gov/pur.
- Assemble five packets, each of which contains complete sets of the prequalification documents listed immediately below, in the order listed below. (The City will attach these five packets to the five copies of the CDBG or HOME proposals that the Agencies will submit by the August 31st deadline.)

- Each packet should consist of the documents listed below in legal-sized file folders numbered 1 through 5.
- If submitting more than one application for funding, assemble five packets of prequalification materials for *each* application. For example, if the private nonprofit agency plans to submit one CDBG proposal and one HOME proposal, then the agency should submit a total of 10 sets of prequalification materials.
- Fill out the “Prequalification Documents Submission Checklist and Transmittal.”
- Transmit the packet(s) to the Division of Purchasing by 4:00 p.m., July 14, 2006, as evidenced by a date and time stamp from the Division of Purchasing.

Note: Only those private nonprofit agencies that meet the July 14, 2006, deadline for prequalification and receive a written notice of prequalification approval will be considered for funding.

List of Prequalification Documents:

1. Fully executed and dated copy of Articles of Incorporation and all amendments thereto of nonprofit corporation.
2. Fully executed and dated copy of corporate Bylaws and all amendments thereto if not appended to the Articles of Incorporation.
3. Mission statement of nonprofit corporation if not clearly set forth in Articles of Incorporation and Bylaws. If the mission statement is set forth in the Articles of Incorporation/Bylaws, the location of the mission statement within the organizational documents must be identified.
4. Current letter from the Internal Revenue Service stating that nonprofit corporation has a tax exemption ruling under Section 501 (c) (3) of the Internal Revenue Code.
5. A list of the board of directors, officers and principals of nonprofit corporation including, but not limited to, the chief financial officer and chief program administrator.
6. Resumes or statements of qualification for all program principals and key staff.
7. Corporate organizational chart.
8. Organization chart of programs or services for which CDBG/HOME funds are anticipated to be requested.
9. Statement of nonprofit corporation that no more than one-third of the membership governing body is appointed by, or consists of, elected or other public officials or employees or officials of an ineligible entity.
10. A copy of a corporate resolution or unanimous written consent of board of directors stating who has signatory and binding powers with respect to any document, agreement or contract in connection with any CDBG/HOME funding request.
11. Current certificate of good standing of nonprofit corporation from the State of Hawaii Department of Commerce and Consumer Affairs.
12. State and Federal tax identification numbers for nonprofit corporation.
13. Current tax clearance certificate from the Internal Revenue Service and the State of Hawaii.

14. A certificate of compliance from the State of Hawaii Department of Labor and Industrial Relations (“DLIR”).
15. Certified (as to be true and correct) copies of past three years audited financial statements of the nonprofit corporation if total (cumulative) federal funding received by the nonprofit corporation exceeds or is anticipated to exceed \$500,000.00 with any grant request for federal funding. If three years of audited financial statements cannot be provided, please explain in detail the reason.
16. Copies of financial statements and balance sheets of nonprofit corporation if total (cumulative) federal funding received and anticipated to be applied for by nonprofit corporation is below \$500,000.00. Such financial statements must be signed and certified by the chief financial officer of the nonprofit corporation as true and correct copies. Financial statements are only necessary if 3 years of audited statements cannot be provided or are not applicable.
17. Evidence of ability to obtain appropriate insurance relating to anticipated CDBG/HOME funding. As an example, a letter from nonprofit’s insurance carrier stating they are prepared to issue a commitment for insurance covering the anticipated project or service upon execution of a contract would be acceptable. If insurance is already in place, copies of current certificate(s) of insurance stating all policy limits, type of coverage and expiration dates must be provided.
18. A copy of all valid licenses required, if any, for work to be done using requested funding, if awarded.
19. A statement indicating resources including, but not limited to, hardware, software, office machines (copy, fax, scanner), office space, vehicles available to nonprofit corporation to perform its program/service/reporting responsibilities (including fiscal responsibilities) and pursuant to any CDBG/HOME reporting or draw down requirements. Nonprofit should also be able to submit all reporting requirements electronically.
20. Proof of designation as a Community-Based Development Organization (CBDO), if applicable.
21. Proof of designation as a Community Housing Development Organization (CHDO), if applicable.

To submit a CDBG or HOME application:

- The Request For Proposals (RFP) and the CDBG/HOME application forms will be made available on June 30, 2006.
- Obtain the RFP and application forms on the Division of Purchasing website: www.honolulu.gov/pur.
- You may also pick these forms up in person at the Division of Purchasing, Honolulu Hale, 530 South King Street, Room 115, Honolulu, Hawaii.
- Complete the CDBG and HOME application forms, including all required attachments.
- Return the completed form(s) to the Division of Purchasing by 4:00 p.m., August 31, 2006, as evidenced by a date and time stamp from the Division of Purchasing.

Description of CDBG Program:

Projects that are funded in the CDBG program must address the CDBG program’s primary objective, which is the “...development of viable urban communities, by providing decent housing and suitable living environments and expanding economic opportunities principally for persons of low and moderate income.” CDBG projects should: (1) principally benefit low and moderate income families; (2) aid in the prevention or elimination of slums and blight; or (3) meet other community development needs having a particular urgency.

Eligible CDBG activities include:

- Acquisition of real property.
- Disposition of real property.
- Acquisition, construction, reconstruction, rehabilitation or installation of public facilities.
- Clearance, demolition and removal of buildings and improvements
- Provision of public services provided it is a new service or a quantifiable increase in a service now being provided and does not exceed 15% of the City's entitlement.
- Relocation payments.
- Rehabilitation of privately owned buildings and low-income public housing.
- Removal of material and architectural barriers restricting mobility of elderly and handicapped persons.
- Planning activities.
- Historic preservation.
- Economic development.
- Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development activities.

Activities that are ineligible for CDBG funding include, but are not limited to, the following:

- Buildings for the general conduct of government.
- General government expenses.
- Political activities.
- Purchase of equipment unless as part of an economic development activity or when necessary for use by a recipient or subrecipient in the administration of activities assisted with CDBG funds.
- Operating and maintenance expenses.
- New housing construction unless carried out by a Community Based Development Organization (CBDO).
- Income payments for housing or any other funds.
- Religious activities.

The City may provide CDBG funds to a Community Based Development Organization (CBDO) that is qualified to carry out certain CBDO activities such as neighborhood revitalization, community economic development, energy conservation, or new housing construction projects. Applicants need not be CBDOs to apply for CDBG funding from the City; however, only applicants that are already certified as CBDOs by the City will be granted CDBG funds to carry out CBDO activities. For details regarding CBDO certification, call 523-4102.

Description of HOME program:

The HOME program is generally intended to:

- Expand the supply of decent and affordable housing, particularly rental housing, for low and very low income Americans.
- Strengthen the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing.
- Provide both financial and technical assistance to participating jurisdictions, including the development of model programs for affordable low-income housing.
- Extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.

In general, HOME funds may be used to pay the following eligible costs:

- Development hard costs defined as the actual cost of constructing or rehabilitating housing.
- Acquisition costs.

- Related soft costs defined as other reasonable and necessary costs incurred and associated with the financing, or development (or both) of new construction, rehabilitation or acquisition of housing assisted with HOME funds.
- Relocation costs.
- Costs related to tenant-based rental assistance.

Activities that cannot be funded with HOME funds include, but are not limited to, the following:

- Provide a project reserve account for replacements, a project reserve account for unanticipated increases in operating costs, or operating subsidies.
- Provide tenant-based rental assistance for the special purpose of the existing Section 8 program or preventing displacement for projects assisted with rental rehabilitation grants.
- Provide non-federal matching contributions required under any other Federal program.
- Provide assistance authorized under Part 965 (PHA-Owned or Leased Projects - Maintenance and Operation).
- Carry out activities authorized under Part 968 (Public Housing Modernization).
- Provide assistance to eligible low income housing under Part 248 (Prepayment of Low Income Housing Mortgages).
- Provide assistance (other than tenant-based rental assistance or assistance to a first-time homebuyer to acquire housing previously assisted with HOME funds) to a project previously assisted with HOME funds during the period of affordability established by the City. However, additional HOME funds may be committed to a project up to one year after project completion, but the amount of HOME funds in the project may not exceed the maximum per unit subsidy amount.
- Pay impact fees.

The City will set aside fifteen percent (15%) of its annual HOME allocation from HUD for use by Community Housing Development Organizations (CHDO). Organizations need not be CHDOs to apply for HOME funds; however, only organizations that have been previously certified as CHDOs by the City will be eligible for CHDO set-aside funding. For details regarding CHDO certification, call 523-4102.

Questions may be directed to Eric Stoetzer at 527-5676.

Holly Kawano, Federal Grants Coordinator
Department of Budget and Fiscal Services
530 South King Street, Room 208
Honolulu, Hawaii 96813

Mary Patricia Waterhouse, Director
Department of Budget and Fiscal Services
By order of MUFI HANNEMANN, MAYOR
City and County of Honolulu